THE DEPUTY CHAIRMAN: The House is adjourned for half an hour for lunch.

The House then adjourned for lunch at two minutes past two of the clock.

The House reassembled after lunch at thirty-six minutes past two of the clock, [**The Vice-Chairman, (Shri Sanatan Bisi)** *in the* Chair.]

THE VICE-CHAIRMAN: (SHRI SANATAN BISI): Before we take up the Short Duration Discussion, the Minister will lay on the Table of the House three statements.

STATEMENT BY MINISTER

Second Ministerial Conference of WTO

THE MINSITER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): Sir, I beg to lay on the Table a copy of my statement made at the WTO Confernece, a copy of the Ministrial Declaration issued after the Conference and also a copy of the proceedings of the discussion on Electronic Commerce. [Placed in Library. *See* No. LT.-1388/98]

SHORT DURATION DISCUSSION

Functioning of WTO and participation of India in Participation of India in International Trade Negotiations

SHRI PRANAB MUKHERJEE(West Bengal): Mr. Vice-Chairman, Sir, with your permission, I want to raise a discussison on the functioning of the World Trade Organisation and the participation of India in the International trade Negotiations. While discussing the issue on the floor of the House, the hon. Minister kindly agreed that if a discussion is being raised, then many important issues which are related to the World Trade Organisation and its implication on our economy, in particular, and also on the economy of the developing countries, in general, could be discussed.

Sir, it is known to you that the World Trade Organisation was established after protracted negotiations amongst the nations, which is known as the Uruguy Round of Talks. At the official level it was finalised in December, 1993, and on 15th April, 1994, at Marrakesh, with the seal of approval by the Ministerial Conference, the Organisation actually came to exist from 1st of January, 1995. Two Ministerial meetings have taken place, after the establishment of this Organisation, to review the functioning of the Organisation and the issue relating to it. One such meeting took place at Singapore on 5th and 6th of December, 1996 and another meeting took place recently at Geneva in May, 1998. I would like to confine my observations to three aspects with which we are vitally concerned and which we raised. The detailed information has kiadly today. It was decided in the Ministerial meeting that no longer the international labour issues, the core labour standards, will be brought within the purview of the WTO. This is the assurance which was given by the concluding remarks of the Chairman of the conference at Singapore and it has also been reiterated by the Minister in his statement which has been laid on the Table of the House. That is, to a considerable extent, reassuring. But on the other issue we shall have to remain careful. I also draw the attention of the hon. Minister to the Multilateral agreement on Investment (MAI), to which he has referred in his statement. There is a short history of MAI. Sometime in early 1995 the OECD countries, mainly European Union, United States of America, Canada and Japan— the OECD countries, not all-initiated that there should be a Multilateral Agreement on Investment. Initially the idea was that only the OECD countries would be concerned with it. But later they recommended that it should be taken up by the WTO and, rightly, at the Minsiterial confernece in Singapore it was opposed to. The decision which was taken was that within the purview of the framework of the WTO agreements it would be studied. We understand from the Minsiter's statement that presently it is being studied by the Working Group and the Working group has not yet completed its exercise. I think, once the Working Group completes its exercise this issue need not come before the WTO automatically. But from our experience we have seen, and the hon. Minister is surely

aware of this fact, that on many occasions certain issues have been raised either in the form of discussions in study groups or from the academic point of view and once the report is being published, an attempt is being made to create a strong public opinion in favour of the conclusions of the study and thereafter to bring it for the negotiations and the rule-making process. Therefore, while participating in a discussion, after the Singapore Ministerial meeting, we suggested that India should actively engage itself in this process of study either by the Working Group or by any other fora and India should not disengage itself. We are now informed by the hon. Minister's statement that India is actively engaging itself in the work of the Working Group. We had a limited agreement in regard to trade-related investment. Trade is only one aspect of the investment and so far as the investment decisions are concerned, development cannot be ruled out and that is why we believe that it should be left to the sovereign will of the countries concerned. When we opened our economy for direct foreign investment, it was we, this Parliament itself, who decided which of the sectors should be opened up. As far as the sectors wich would be opened up for investment are concerned, definitely we agree that there need not necessarily be any discrimination and the national treatment could be extended to the investors, whether they come from abroad or whether they come from within the country. But it can never be decided through an international trading arrangement that which sectors of the economy have to be opened up and any rulebased formulation cannot take care of the concerns of all the member-countries, which are presently 128. Twenty-five or twenty-eight more countries are standing in the queue. Each country has its own problems, its own development perceptions, its own culture and ethos and the developmental strategy of that country is framed within the framework of the prevailing socio-economic conditions. An international rule-based agreement cannot take care of those concerns in totality. Therefore, these aspects of investment and development angle are to be kept in view while taking any decision in this regard. The Minister has referred to three statements. But I have with me only one statement. There are two other statements, particularly the full text of this speech in Geneva—definitely it will be given to us—we will look into that. We will also be interested to know to what extent he has addressed this issue. I would like to draw his attention to one more thing. This has a long history and this will have to be addressed. The time has come because we have reached almost a dead end of the tunnel. We shall have to take a decision in regard to the commitment which we had made on Trade Related Intellectual Properties (TRIPS). While replying to the points raised by Dr. Biplab Dasgupta on 8th June, the hon. Minister, in para 3 of his statement mentioned that after the Disputes Settlement Body rejecting India's claims and the Appellate Authority also rejecting India's claims, now the deadline has been fixed and that deadline is that the necessary amendment to the legislation to provide a mailbox facility and exclusive marketing rights in our Patent Act of 1970 will have to be complied with by 19th of April 1999. This is an important issue which shall have to be taken care of. I am fully aware of the fact that on these matters this House and the other House did not agree. There are different perceptions. In a democracy, there are bound to be different perceptions on economic policies and many other policies. But, at the same time, we cannot completely ignore our international commitment. These facilities were to be provided from the 1st of January, 1995 when the WTO came into existence. At that point of time, we were in office. We could not do it. We could do it partly. The law was amended in Lok Sabha. But that could not be amended in this House. We made an attempt to do it through an ordinance. But an Ordinance has its own limitations. The Ordinance lapsed and it could not be done. Thereafter we had to face a complaint launched by the USA and subsequently, the European union became a party to it. Definitely the Government of India tried its best to defend its position by explaining why the legislation could not be passed. We tried to convince them by saying that ours was a democratic system and we have to carry the people with us and some

sort of a consensus has to be built so that necessary legislations could be passed and amendments could be effectively implemented. But that state is over now. therefore, I would like to know from the hon. Minister what steps they are going to take in this regard. Technically, this subject does not come under this Ministry, but the Patent Act, as per allocation of business, comes under the Ministry of Industry. He must be aware that as a successor Minister he had to carry to WTO agreement because it comes under the Commerce Ministry itself and it is a part of the exercise which was being done by the Commerce Ministry, that is, finalising the Marrakesh Declaration and the Uruguary Round of Talks. therefore, I would like to know from the hon. Minister what steps they are going to take in this regard. In this connection, I would like to reiterate—I said it earlier also—that simply the change of seat from that side to this side has not changed our position. We would like to extend our support to the Government of India when it will bring in these amending laws. But it is for the Government of the day to decide it. We cannot make a legislation. We extended this co-operation to the earlier Government and we are prepared to extend this co-operation to the present Government. And when the deadline is fixed, we shall have to comply with this requirement by 19th April, 1999. The hon. Minister should take some initiative and he must also induce his colleague in the Cabinet Industry Ministry to do so. Both of them belong to this House and both of them had their own role to play when this issue was debated in this House itself. Therefore, they can look into that aspect. The Third point on which I would like to draw the attention of the hon. Minister is where we are all concerned. This has also been discussed. India traditionally has alone stood for multi fibre arrangements. One of the basic objectives of our participation in the WTO negotiations is the protracted negotiations which are known as the Uruguay Round of Negotiations, and that our concern would be taken care of in a more meaningful manner in the multilateral organisation through multilateral instrumentality. Then come the regional organisations. I am not against any regional organisation. In fact, we are encouraging SAARC. But we must take note of the fact that regional organisations like APEC, NAFTHA, ASEAN and others could not stand in the way of multilateral rule-based trading and liberalisation process. Some of the critical objectives of the establishment of World Trade organisation were that it would create more jobs, it would dismantle protectionism, it would ensure uninterrupted trade flow between developing and developed countries. But if another institution in the form of regional trade blocs come in the way, maybe it will be complimented today, but the dangers have been pointed out by a number of experts that unless the close link between regional trading organisations and multilateral trading organisations is institutionalised, these may have difficulties and at some point of time they may take a protectionist approach. Mr. Vice-Chairman, Sir, I would like to most respectfully submit that this aspect also has to be kept in mind. And as the hon. Minister and the hon. Members are fully aware of, this is not an organisation where all the 128 countries sit together and take dicisions. negotiations take place within the rules framed by WTO. We enter into agreements, discussions, negotiations with our tradition partners, within the rules framed by WTO, some of our main trading partners are also equally important effective members of the various regional organisations. If we look at our export basket, nearly 50 per cent of our exports are directed towards U.S., European Union and Japan. These are our important trading partners so far as we are concerned, so far as our exports are concerned. So, this aspect also should be kept in view while reviewing the future progress of World Trade Organisations functioning and its impact on us. The fourth point on which I would like to comment and seek the response from the Government is that though our basic objective is to dismantle tariffs and non-tariff barriers, to remove protectionism, I think that developing countries have taken a lot more initiatives in dismantling both tariffs and non-tariff barriers compared to developed countries. Very Often, the U.S. policymakers and administrators say that their national laws will prevail. If it is just rhetoric, I have no

problem. But if they seriously mean it and they want to implement it, where is the scope of fostering and furthering the interest of multilateral trading arrangements? If Special 301 or Super 301 of USA has precedence over agreements reached through WTO, then there is no point in having multilateral organisations.

Now, India can compete in computer software. India has competitiveness in that service sector. But that competitiveness can be effectively throttled if the necessary mobility facilities are not provided to the service-providers. Now, the P-3 forms of US visa are standing in the way. I am not commenting on their decision of not issuing visa to our eminent scientists because the House has already expressed its concern, not 'concern' but the appropriate word would be its 'disgust'. The way these things have been dealt with, the House has correctly expressd its disgust on the behavior of USA of refusing visa to Mr. Chidambaram. But I am much more concerned with the fact that unless our service providers are not provided with adequate mobility facility, an area in which we have a competitive advantage, that advantage would be lost.

The same is the story with environment. There is no quarrel. Environment has to be protected. We have been saying this from day one that we are the first country who pointed out that environment is the most essential ingredient to protect this globe, to protect our civilisation, to protect the whole mankind. But at the same time, we cannot forget that environment has not only one dimension, but it has many other dimensions and in that context it is equally true that poverty is one of the most serious polluting factors in the environment itself. And there cannot be any conceptual confrontation between environmental protection and development requirements. We should try to make an adjustment between these two. But those who have exploted the natural resources to the criminal extent and thereafter if they suddenly come and start patronising some groups in the developing countries asking them to take up issues of environment, then it is not proper. If the ozone layer has been distroted, it is not because of the developing countries. They did not contribute in that respect. It is because of their own sins, sins committed by the developed countries, the industrialised countries. But if the minimum developmental requirement is not possible and if in the name of environment-friendly packaging system, bio-degradable packaging material, a protectionist demand is being raised against the export items of developing countries, surely that is not in the letter and spirit of the World Trade Organisation.

These are some of the issues. When we entered into WTO, we kept our eyes and ears open. it is nobody's claim that WTO would be an unmixed blessing to us. We had some good points and some bad points. In this connection, I would also request the hon. Minister that we must take up vigorously the dismantling of the Multi-Fibre Arrangement. One of our greatests in participating in WTO was that at least by 2005 A.D. We will be in a position to see to it that our textile products will have uninterrupted access to the markets of developed countries as there we have the competitive advantage. But M.F.A. stood in our way. The Multi-Fibre Arrangement stood in our way and so that Multi-Fibre Arrangement must be dismantled. To some extent we wanted to calibrate in with our dismantling of the TRIPS arrangement, along with the dismantling of the Multi-Fibre Arrangement. That type of calibration should take place.

With these words, Mr. Vice-Chairman I thank you for giving me this opportunity of sharing some of my perceptions on this issue.

[3.00 P.M.]

डा० महेश चन्द्र शर्मा (राजस्थान): उपसभाध्यक्ष महोदय, धन्यवाद।

यह एक गम्भीर मसला है और बहुत ही अच्छी बात है कि आदरणीय प्रणबदा ने इस पर यहां चर्चा प्रारंभ करवाई। बहुत अच्छा होता कि यह चर्चा, पूरी चर्चा डब्ल्यू.टी.ओ. पर हस्ताक्षर करने के पहले होती। डब्ल्यू.टी.ओ. हमारे गले में एक ऐसा फंदा है जिसे न रखे बनता है, न निकाले बनता है। प्रणबदा आज चिंता व्यक्त कर रहे है कि अमेरिका ने हमारे खिलाफ डब्ल्यू.टी.ओ. में वाद प्रस्तुत किया और हम उस वाद में हार गए। अच्छा होता, इसके वे कारण गिनाते कि यह वाद क्यों प्रस्तुत हुआ और हम

क्यों हारे तथ्य हारने के कारण भी वे बताते। जब इस देश का मतदाता संसद का चुनाव कर रहा था तो संसद के ऊपर एक इंटर आ गया था कि आप अपने पेटेंट लाज को वैसा बदलिए जैसे हम कहते हैं। अपने कानूनों को बनाने के लिए आज यह संसद सावरेन नहीं है। अपने कानूनों का बनाने के लिए कोई बाहरी ताकत सावरेन है। उसका डंडा हम पर पड़ा हुआ है कि आने वाले 1999 इयर में हम अपना कानून बदल तें। हमारे पास एक तरफ खाई और एक तरफ कुआ है। यदि हम कानून ने बदलें तो क्या होगा? क्या करें हम? कानून न बदलें तो हम उनको ई एम.आर. दें-एक्सक्लूसिव मारकेट राइट्स दें। तो यह एक प्रकार से प्रच्छन्न रूप से दिया गया पेटेंट है और ई.एम.आर. न दें तो कानून को बदलें हमको कानून अगले साल ही बदलना है और अगले ही साल "ट्रिप्स" के प्रावधानों पर स्वयं डब्ल्यू.टी.ओ. रिव्यू करने वाला है। एक तरफ डब ल्यू.टी.ओ. ट्रिप्स के प्रावधानों को रिव्यू करेगा और उसके पहले भारत की संसद पर यह भार है, प्रेशर है कि उसे अपने पेटेंट ला को बदलना होगा। निश्चय ही मैं समझता हूं कि वाणिज्य मंत्री और भारत सरकार के सामने यह एक जटिल परिस्थिति है कि यह भारत की संप्रभू संसद की मानें या डब्ल्यू.टी.ओ. की मानें।

जब से हमने हस्ताक्षर किया है, भारत की संसद ने डब्ल्यू.टी.ओ. के पक्ष में एक भी काननू पारित नहीं किया। जिस पेटेंट ला को बदलने की बात प्रणबदा कह रहे थे वहा राज्य सभा में पारित नहीं हुआ और विदेशी कंपनियों को ईश्योरेंस का उद्योग देने का कानून चिदम्बरम जी ने पेश किया था वह लेकसभा से विदड्रा करना पड़ा। डब्ल्यू. टी.ओ. पर हस्ताक्षर करने के बाद आज की तारीख तक भारत की संसद ने डब्ल्यू.टी.ओ. के एकार्डिंग कोई भी कानून पारित नहीं किया है। यह एक प्रकार से डब्ल्यू.टी. ओ. पर किए गए हस्ताक्षर का निषेध किया है भारत की संसद ने। मान्यवर, क्या यह आश्चर्य की बात नहीं कि हिंदुस्तान की सब विचारधाराओं में एक सर्वसम्मति है कि डब्ल्यू.टी.ओ. साम्राज्यवादी औजार है। जब "डंकल" की बहस चल रही थी इस देश के सारे गांधीवादी चाहे वे सिद्धराज ढड्डा हो, चाहे ठाकुरदास बंग हो, चाहे देवेन्द्र भाई हो सबने डब्ल्यू.टी.ओ. के खिलाफ आवाज उठायी सारे वामपंथी चाहे वे जिस संघ के हों, चाहे कम्यूनिस्ट हो, सी.पी.आई. हो., सी.पी.आई. (एम) हो, समाजवादी हों और संघ, जनसंघ के राष्ट्रवादी विचार के हों, सबने एक वृहद मंच के माध्यम से संघर्ष किया। राष्ट्रवादी, गांधीवादी, समानवादी, साम्यवादी सब जिस प्रावधान के खिलाफ थे वह प्रावधान भारतवर्ष के संसद पर, सरकार पर और समाज पर आखिर लागू कैसे हो गया, यह अध्याय बहुत ही लज्जा का है। यह अध्याय बहुत की कलंक का है। इस संदर्भ में अवेरनेस भी नहीं है, जन-जागरण नहीं है, साहित्य की उपलब्धि नहीं है। मान्यवर, मैं पिछले दो-तीन दिन बाहर चला गया था और आज प्रातः काल आते ही मैं अपने देश की सबसे अच्छी लायब्रेरी, संसद की लायब्रेरी गया। मैं दुखपूर्वक सदन को सूचना दे रहा हूं कि संसद की लायब्रेरी में "गैट" फाइनल एक्ट का डाक्यूमेंट उपलब्ध नहीं है।

एक पेपर पैक डाकूमेंट है जिसके आधे के पन्ने फटे हुए हैं, पढ़ें नहीं जा सकते। गैट फाइनल एक्ट तो संपूर्ण संसार में शासन करने की स्थिति रखता है, जो एक प्रकार का विश्व का संविधान बन गया है। उसके बारे में जानकारी की व्यवस्था ऐसी है कि इस भारत की संसद् में गैट फाइनल एक्ट का डाकूमेंट उपलब्ध नहीं है। यह तो डब्ल्यू. टी.ओ. के कार्यकरण की बात करनी है, मान्यवर, इसकी बात करना कठिन है प्रणब दा ने तो आपको सिंगापुर और जनेवा के बीच सीमित रखा, क्योंकि सिंगापुर और जनेवा के बीच की बात की कहना उनके लिए अनुकूल पड़ता था। लेकिन यह बहुत ही अधूरी बात होगी, यह बहुत ही कमजोर बात होगी। हमने अपने देश के आर्थिक हितों की तिलांजलि उस दिन दे दी, जिस दिन हमने विदेशियों को अपनी ही कंपनियों के समान निवेश का हक दे दिया। डब्ल्यू.टी.ओ. के माध्यम से विदेशी कंपनियों को स्वदेशी कंपनियों के एट पार लाकर हमने भारत आर्थिक हितों का हनन किया मान्यवर, दुर्भाग्य से उन दिनों देश बहुत ही घटिया किस्म के विवाद में फसा हुआ था। वह जातिवाद विवाद था, पंथवादी विवाद था, मंदिर-मस्जिद की बात थी जिन दिनों उरुग्वे राउंड वार्ता बहुत ही संवेदनशील मुद्दों पर बहस कर रही थी उन दिनों हम भारत में ऐसे मुद्दों में उलझे हुए थे कि सब कुछ अंधेरे में ही हो गए गया। इस डब्ल्यू.टी.ओ. की समीक्षा के लिए भारत सरकार ने तो कुछ किया नहीं। भारत सरकार ने ने तो देश को बताया, न दुनिया को बताया, न सांसदों को बताया। ढाई सौ सांसदों के हस्ताक्षर के साथ जो ज्ञापन दिया गया, उसके बावजूद डब्ल्यू.टी.ओ. पर हस्ताक्षर करने से पहले भारत की संसद् में बहस नहीं हो सकी। मेरे पास एक क्रोनोलेजी यह पीपुल्स कमीशन ऑन गैट जिसके चेयरमैन वी॰आर॰ कृष्ण अय्यर थे, उन्होंने पूरी क्रोनोलेजी दी है कि कौन-कौन सी वह तारीखें हैं जिन पर भारत के हितों के साथ जबर्दस्त आघात हुआ। मान्यवर, वह तारीख है अप्रैल, 1989 एक लंबा दौर हुआ, बड़ी बहस हुई और भारत ने तृतीय विश्व का एक प्रकार से नेतृत्व किया। लेकिन 1979 के चौथे महीने में,

The officer-level meeting on GATT in Geneva, "India capitulated, without any reference to Parliament for public discussion, agreed any reference to Parliament for public discussion, agreed to include substantial issues of intellectual property protection within the ambit of GATT negotiations."

आज भारत की संसद् इस दुष्चक्र में फंसी है कांग्रेस जो विधेयक पास नहीं करवा सकी थी आज जब इस विधेयक की बाध्यता आई है, क्योंकि तब संसद् और समाज की दुर्भाग्यपूर्ण अवहेलना की गई थी। उस अवहेलना का आज परिणाम है कि या तो आप ई.एम. आर. की खाई चुनिए या आप प्रोडक्ट पेटेंट का कुआं चुनिए, आपके पास दूसरा कोई विकल्प नहीं है। निश्चय ही भारत की सरकार को कुछ कुशलता से काम लेना होगा, ढंग से काम लेना होगा और अमरीका के डब्ल्यू.टी. ओ. के, या पश्चिम के डंडे के दबाव में अपने देश के कानून को नहीं बदलना होगा। हम अपने कानून को तब बदलेंगे जब हम बदलना चाहेंगे, जैसा बदलना चाहेंगे वैसा बदलेंगे। अभी तो अगले ही वर्ष स्वयं डब्ल्यू०टी०ओ० अपने ट्रिप्स के प्रावधानों की पुनर्समीक्षा करने वाला है। हमको पूरा अवसर है कि हम डब्ल्यू.टी.ओ. से यह कहें कि पहले आप पुनर्समीक्षा कर लीजिए, फिर हम विचार करेंगे। अभी हम कानून बदल लें, कल आप पुनर्समीक्षा करें तो फिर दोहराना पड़ेगा। इस तरफ से भारत की संसद् किसी की दिहाड़ी पर काम नहीं करेगी।

और जब तक "ट्रिप्स" अपने प्रावधानों की पुनर्समीक्षा नहीं कर लेती तब तक हमें अपने कानून को नहीं बदलना चाहिए। इस के लिए भारत सरकार को अपनी कूटनीतिक प्रतिभा का परिचय देना चाहिए। मुझे विश्वास है कि भारत के प्रतिभावान वाणिज्य मंत्री देश और दुनिया को अपनी प्रतिभा का परिचय अवश्यमेव देंगे।

उपसभाध्यक्ष महोदय, मुद्दा यह नहीं है कि हम इन प्रावधानों से कैसे निकलेंगे? डब्ल्यू.टी.ओ. तो इतना बड़ा समुद्र है कि आठ साल की चर्चा के बाद जाकर कुछ चीजें फायनल हुई और जो चीजें फायनल हुई वह किसी को मालूम हैं? मैं समझता हूं कि जो चीजें फायनल हुई, वह किसी को मालूम नहीं है। महोदय, उरुग्वे राउंड के विविध प्रस्तावों के 22 हजार पृष्ठ हैं और उन का वजन 358 पौंड है। तो इतने बड़े साहित्य को पलटने भर में कितना समय लगेगा, पढ़कर विमर्श करना तो दूर की चीज है और अभी तक उस इतने बड़े साहित्य, गैट फाइनल एक्ट की कॉपी तक उपलब्ध नहीं है और वहां पर देश की संसद का अंगूठा पकड़कर उस पर लगवाने की कोशिश है। मैं समझता हूं कि भारत का समाज, भारत की सरकार और भारत की संसद-इन तीनों को इसे अवश्यमेव नकार देना चाहिए। हमें इस बात पर ध्यान देना चाहिए कि यह जो डब्ल्यू.टी.ओ. नाम का विषफल है, वह किस बीज से उत्पन्न हुआ है? जब तक हम उस विष-बीज का नाश नहीं करेंगे तब तक इस विष-फल का नाश नहीं कर सकते। दो-चार फल तोड़ देंगे तो दूसरे फल आ जाएंगे। महोदय, इस के विष-बीज तो कोलंबस और वास्कोडिगामा की यात्रा में है, जहां से यूरोपियंस की साम्राज्यवादी यात्रा शुरू होती है। लेकिन आप उतनी दूर नहीं जाइएं उपनिवेशवाद के काल में यूरोप में हुई औद्योगिक क्रांति के गर्भ में एशिया और अफ्रीका की लूट है आज हम निवेश के लिए परेशान हैं। इतिहास से पूछें कि जब यूरोप ने औद्योगिक क्रांति की थी तब निवेश कहां से आया था? कहां से आया था वह पैसा? महोदय, वह पैसा और कहीं का नहीं, एशिया और अफ्रीका में यूरोपियन कॉलेनीज की लूट थी। उन की लूट में से एक ऐसा तंत्र पैदा हुआ, एक ऐसा राक्षस पैदा हुआ, ऐसी भट्टी पैदा हुई कि उन भट्टियों को निगलने के लिए रोज प्राकृतिक संसाधन चाहिए और उन से उगले हुए माल को रोज नया बाजार चाहिए। जब तक उपनिवेश रहे तब तक अफ्रीका और एशिया के सारे संसाधन उन की मुट्ठी में थे। जब तक उपनिवेश रहे तब तक सारे बाजार भी उन की मुट्ठी में थे, पर द्वितीय महायुद्ध के बाद जब उपनिवेश समाप्त हो गए और ये देश आजाद हो गए तब कच्चे माल के लिए इन को तृतीय विश्व पर निर्भर होना जरूरी हो गया। महोदय, कितना भी उपभोक्तावाद फैलाएं, कितना भी कंजूमरिज्म लाएं, पर ये भट्टियां इतना माल उगलती हैं कि ये पूरा माल यूरो-अमेरिकी लोग नहीं खा सकते। तो इस को नए बाजार चाहिए। अब स्वतंत्र देश स्वावलंबी होने के लिए, समर्थ होने के लिए अपने बाजार का विकास करे, अपने उद्योग का विकास करे तो इस प्रकार के प्रावधानों को प्रणव दा ने कहा है कि वह प्रावधान है "प्रोटेक्शनिस्ट" यानी संरक्षणवाद गाली बन गया है। शुभ वस्तुओं का संरक्षण, सत्य का संरक्षण, अपने हितों का संरक्षण, अपने वनों का संरक्षण, अपने खनिजों का संरक्षण अब गाली बन गया है। अगर यह गाली है तो हमें यह गाली ही खानी चाहिए। हमें दूसरों के अच्छे उपदेश नहीं चाहिए जिनका पैकेजिंग है कम्पटीशन और कामोडिटी है मोनोपोलाइजेशन। महोदय, इस प्रकार के दुष्चक्र में फंसकर भारत में सदा मार खाई है और हमें इस प्रकार की मार से निश्चय ही बचना चाहिए। इस मार में हमें नहीं आना चाहिए और अपने देश के उद्योग, अपने देश के प्राकृतिक संसाधन, अपने देश की जैविक संपदा, अपने देश के

आम आदमी, इनके हितों के संरक्षण की जिम्मेदारी, इनके प्रोटेक्शन की जिम्मेदारी निश्चित ही भारत की संसद और भारत की सरकार पर है। हमें दुनियां में स्पर्धा का तमगा लेने के लिए डब्ल्यू.टी.ओ. के प्रावधान के सामने झुकने की निश्चय ही कोई आवश्यकता नहीं है।

मान्यवर, समय की सीमा हो गई, मेरी पार्टी के अन्य साथी भी बोलेंगे।.....(व्यवधान).....मान्यवर, इस मुद्दे पर यह जो थोड़े समय की चर्चा यहां हो रही है, वह चर्चा पर्याप्त नहीं है। इस मुद्दे पर, डब्ल्यू.टी.ओ. पर हस्ताक्षर करने के पहले पूरी बहस होनी चाहिए, डब्ल्यू.टी.ओ. के प्रकाश में एक भी कानून को बदलने के पहले संसद में इस विषय पर पूरी बहस होनी चाहिए। इतना ही नहीं, यह जो इतना विराट साहित्य है, यह साहित्य कैसा भी कंटीला क्यों न हो, पर यह इस युग की सच्चाई है, इसको हम नकार नहीं सकते, इससे हम बाहर जा नहीं सकते। इसलिए जरूरी है कि वाणिज्य मंत्रालय और उद्योग मंत्रालय, इनके साथ या इनको मिलाकर या कुछ और व्यवस्था करके अंतर्राष्ट्रीय व्यापार के लिए हमें अलग से एक मंत्रालय का गठन करना चाहिए। अंतर्राष्ट्रीय व्यापार की जो गुत्थियां हैं, उनको सुलझाने के लिए देश के अर्थशास्त्रियों, समाजशास्त्रियों, वित्तवेताओं की एक समर्थ समिति बनानी चाहिए, जो समिति निरंतर काम करती रहे। यह सिंगापुर की बैठक हो गई, दो दिन मिल लिए या जेनेवा की बैठक हुई और ढाई दिन मिल लिए, फिर मिनिस्टर्स जाएंगे, वगैरह-वगैरह। लेकिन, जाकर क्या होता है? अखबारों में जब आता है तो उसको देखकर आश्चर्य होता है कि जिनको यह विकसित देश कहते है, यह कितने अमानवीय देश हैं। किस तरह से यह लोकतंत्र का, मिनिस्टर्स कान्फ्रेंस का गला घोंटकर, पर्दे के पीछे कमरों में बैठकर लोगों से हस्ताक्षर करवाकर घोषणा कर देते हैं - 'दिस इज द कन्सेन्सस'। न वहां बहस करते हैं, न यहां बहस करते हैं। यह यहीं की बात नहीं है, मेरे पास साहित्य रखा हुआ है, सबसे ज्यादा कठिनाई गैट ब्लू होने के लिए किसी को हुई है तो वह बिल क्लिंटन को हुई है अमरीका में। अमरीका में बहस कराना जरूरी था। तो बहस कराई गई और स्थितियां ऐसी आ गई थीं, जैसे प्रथम महायुद्ध के बाद लीग आफ नेशन में अमरीका नहीं था, शायद डब्ल्यू.टी.ओ. में भी अमरीका नहीं होता। उस पूरी बहस में किस तरह डेमोक्रेटिक पार्टी, रिपब्लिकन पार्टी, उनको धकेल करके और लोकतंत्र के, विश्व के लोकतंत्र के माथे पर एक कलंक लगा था उस दिन, जब अमरीका की सीनेट में भी गैट के पक्ष में बहुमत नहीं था और तब तीन राष्ट्रपतियों, जो दोनों दलों के थे, मिलकर के मुहिम चलाई, बॉब डोल क्लिंटन डील हुआ और उन्होंने एक प्रोवीजो कम से कम रखा। उन्होंने कहा कि डब्ल्यू.टी.ओ. के उन प्रावधानों को हम स्वीकार नहीं करेंगे, जो अमरीका के संविधान के प्रतिकूल हैं।

मान्यवर, हम एक संघात्मक देश हैं। हमने कई काम राज्यों को सौंपे हुए हैं। हमारी राज्य की सूची के कामों का सौवारिन राइट हमारे राज्यों को है। इसमें केन्द्र को भी कोई हक नहीं है कि राज्य सूची के विषयों पर वह डब्ल्यू.टी.ओ. में निगोशिएशन करे। भारत की संघात्मकता, भारत की लोकतांत्रिक व्यवस्था, इनको दरकिनार करके डब्ल्यू.टी.ओ. की शरण जाना, उसको सलाम करना, यह भारतवर्ष के भूगोल, भारतवर्ष के समाज और भारत की गरिमा के विरोधक है।

मान्यवर, आप निश्चित रहें, मैं समाप्त कर रहा हूं। बहुत धन्यवाद।...(व्यवधान)...

श्री मोहम्मद सलीम: सर, इन्हें बोलने दीजिए। इतने अच्छे विचार रख रहे हैं।...(व्यवधान)...

उपसभाध्यक्ष (श्री सत्यव्रत मिश्र): नहीं, नहीं। इनकी पार्टी से और भी स्पीकर हैं।...(व्यवधान)...

डा० महेश चन्द्र शर्मा: उपसभाध्यक्ष महोदय, मैं माननीय सदस्यों का बहुत आभारी हूं, लेकिन इधर से और भी साथी बोलने वाले हैं, इसलिए मैं अपना वक्तव्य समाप्त करता हूं। पुनः बहुत-बहुत धन्यवाद।

SHRIASHOK MITRA (West Bengal): Sir, many of the predicaments that we are facing in our relationship with the WTO, are our own creation. We are frozen by tear. In the beginning there were the World Bank and the International Monetary Fund, and now there is the third spectre, the WTO. We shiver in our shoes that unless we listen to their dictates, it will be all darkness for us. Let us not demean ourselves. We are a big country. We are a huge country. We can survive even if the world turns its face on us. We can survive even if there is no trade at all. We have enough complementary reserves in the country. We have enough people, who can create the demand for the goods which we produce. So, let us not be nervous about the WTO, that we have to listen to the WTO, otherwise there will be no salvation for us. Therefore, let me say, as I said earlier, the predicaments which we are facing are our own creation.

The WTO was created out of the limb of the GATT. Through amending the provisions of the GATT, we arrived at the provisions of the WTO. During the entire stretch of the Uruguay Round, we had all the opportunities to say, "No, this suggestion will go against our national interest; this particular point of view that you are projecting will hurt our agriculturists, etc. etc." We could have made all our points. There is a provision in Article 30 of the original GATT Agreement that if you want to move an amendment, that amendment has to be approved by all the contracting parties. We are an original contracting party of the GATT. During the Uruguay Round we could have struck it out saying, "We do not agree, we do not agree; this goes against our interests." The entire Western world would have been at out feet. If we did not agree, under the rules of the original GATT, they could not have formed a new WTO. This is the tragedy that those who negotiated on our behalf sold the country down the drain even when legally they had all the opportunities to desist. What has happened, has happened. Now, we are told that in order to meet the commitment to the WTO, we have to change our Patents Act. We have celebrated 50 years of our independence, and I will say that one thing in regard to which we can really be proud is the Patents Act of 1971, one of the great things that this country did during the first 50 years of independence. It said three basic things--(i) In the matter of food for the people and life-saving drugs for the people, we are not going to recognise any foreign patent. (ii) We would not allow any multi-national corporation to use the umbrella of patents to mulch our consumers, to charge inordinate prices to our consumers. (iii) This Act asserted that wherever there was a clash of interests between the nation's goal or objective of independent economic development and the intrusion of a particular patent, it is the goal or objective of independent economic development that will prevail. This was the edifice which was built. The entire world applauded what we did. Countries of Asia, Africa and Latin America lauded this model that we set for the rest of the world. Now, we are being invited to destroy it.

And look at tne absurdity of this Article 70.8 and Article 70.5.

Now, we are told that during the transitional period bilateral negotiations will take place between country and country, and nothing will be fianlized during this period. But there was pressure from some multi-national corporations, and the WTO inserted this particular provision that even during the transitional period—*w.e.f.* lst of January, 1995, the day the WTO was born—we have to amend our patent laws in order to provide the multi-national corporations with some advantages. What are these advantages? You see these two provision about the mail box applications and exclusive marketing rights. They will come and we must allow them to apply for product patents. And pending the processing of these applications we have to allow them exclusive marketing rights, that is, these applicants. If they can satisfy us that they have been allowed a patent in some other foreign country—it could be Fiji, it could be Chad, it could be Burundi—they can get an approval of patent. If Chad, Burundi and Fiji or somebody else have given them the patent, then we have to give it without any examination on our part. It is an absurdity and there is no point in saying that we have to meet a deadline. Deadline is not more important than protecting the nation's interests. What is the deadline? Who has set deadline? One appeal we have lost, second appeal we have lost. So What? There are at least 80 or 90 countries which are at the moment in conflict with the provisions of the WTO. They have matters to pick, that they are not agreeing on this and so on. So, here also we do not agree. We do not agree, so what? We will say, all right our interests, our national interests are such that we cannot agree to what you say, that we must conform and signify our concurrence by 19th of April 1999. No, we do not have to. Our Government can write a letter to the Director-General of the WTO that we have some internal difficulties and problems and that we are looking into it. What will happen? Oh, it could be that they will say, there could be a threat of sanctions against us. There are 60, 70 or 80 countries which have infringed the so-called provisions of the WTO rules. What has

happened? Who has moved sanctions? Nothing will happen. Nothing has happened to them and nothing will happen to them.

The United States Government and United States Congress have gone on record saying that they will agree to the WTO provisions only as long as these provisions are in conformity with the U.S. Trade Act. If there is a conflict between any provision of the US Trade Act and the WTO rules then the US Trade Act will prevail. Have we moved against the WTO? This is another matter. We should have moved. We should have lodged a complaint immediately against the U.S. Government that what they are saying is absurd. But we have not done it. This is another part of the tragedy. Our Government has adopted much too defeatist an attitude. There are 15 disputes or complaints lodged against us, under the Disputes Settlement Practice. But how many did we lodge? With great effort, I could say not more than half a dozen applications were made. We have an attitude of passivity, that we have nothing to do, that WTO will dictate to us, the western powers will dictate to us and we have to abide by it.

Therefore, there is no reason to be scared. Forget about the deadline. Deadlines will come. Deadlines will go. But what should be kept in the fore is the nation's interest.

Mr. Sharma has also said about this. In another five months, we will be in the year 1999. there is a provision in the WTO rules that at the end of four years, there would be a total review of how the system is working. At the end of five months, we will go to the WTO and say that we have certain genuine difficulties with regard to the provisions which affect our patent laws and tell the WTO: 'You have to reconsider'. We will make the WTO reconsider some of these issues. We should not surrender straightaway.

There are other matters that are involved in this. For example, Article 18B. Article 18B says explicitly that the member-countries can maintain import restriction measures in the case of agricultural commodities for balance of payments reasons. If we are in difficulty with regard to our balance of payments position, we are entitled, under the WTO rules, to carry on with our import restrictions on agricultural commodities. This is the provision.

Now, who will decide whether there are genuine balance of payments reasons or not? Who will consider out appeal? They say that this would be done by the International Monetary Fund. The International Monetary Fund would be the judge, deciding whether your balance of payments are under strain or not. How would the International Monetary Fund decide? Normally, the international Monetary Fund goes by the advice of the Ministry of finance of the member-country concerned. Sir, it is a matter of shame that our Ministry of Finance has written to the International Monetary Fund that our balance of payments position is excellent and, therefore, by implication, we can withdraw the prerogative which we have been enjoying under Article 18B.

I would like to ask the Minister of Commerce. Would he agree with this view of the Ministry of Finance that our balance of payments position is confortable? Is not our export growth negative? Are not our imports going up? Our Short-term flow of capital from overseas is noticably stagnant. It is a difficult situation. It is a bad situation. Then how can the Ministry of Finance, on its own, go and inform the International Monetary Fund that everything is fine with our balance of payments? Sir, we have to protect ourselves from those who, we expect, should protect us. This is the situation.

I wish the Ministry of Commerce take up the matter with the Ministry of Finance as to how come such a letter was written by the Ministry of Finance, without having the clearance from the Ministry of Commerce, without discussing it with the Ministry of Commerce.

The other thing I though I should mention, in passing, is about the lawyers who will argue our case before the Disputes Settlement Panel of the WTO. I think there is a predilection on our part to pick foreign lawyers, particularly, American lawyers. The explanation given is that they know more about these laws, the intricacies of the international law, than our lawyers do.

It is not just a matter of knowing the details of the law. It is also a matter of your emotion, your feelings, your passions, your faith. I do not think that any group of foreigners can articulate our problems as effectively as our own lawyers would be able to do, provided they know where the allegiance lies.

Therefore, I appeal to the hon. Minister of Commerce. Kindly talk to the Attorney-General and see that even where we consider appointing a foreign counsel, an Indian lawyer is associated with him to assist him in the nuances of the problem that arise within the country. We were under attack on the matter of the services sector. There was absolutely no reason why we should have surrendered ourselves at the time of the Uruguay Round on the issue of services. I do not know what pressure was there on us to let foreigners come in the banking sector and the insurance sector. In the matter of banks, we surrendered even before we signed the Marrakesh Treaty. Even before that, we allowed foreigners to come in.

I am very sorry that those who were with us in protesting against the intrusion of foreign insurance companies into the country two years ago, have undergone a change of position. All I would say is: "Thank again." It is no use saying that we will allow foreigners to come in only in those insurance companies where we control the majority.

To take the operations of the State Bank of India, now foreigners own only 30 per cent of the equity of the State Bank of India. I say that effectively the State Bank of India is, perhaps, guided more by foreign interests than our own national interests. I have mentioned several times in the House that there were days when the rupee was sinking and the Reserve Bank of India was trying to defend the rupee by buying rupees in the foreign exchange market, whereas, at the same time, the State Bank of India was precisely doing the reverse of it. It was selling rupees and buying dollars in order to bolster it! We think that foreign insurers will bring in money! They are not coming in in order to invest in India. They are coming in in order to take money out of India to invest it elsewhere because the Indian insurance sector is so lush with profits and so on. Therefore, I would appeal to those who are slightly wobbling in this matter, to think again.

Let us not go through the horrid experience of issuing an ordinace. It was done. The entire country-scientists, agronomists, agricultural experts, economists, lawyers and the State Government has reservations. This matter needs a review. Like a thief in the night the government issued an ordinance. Fortunately, for the country we did not pass that ordinance. We resisted it in this House.

Perhaps, if we can maintain the kind of resoluteness of mind, which we exhibited two or three years ago, we can do so. For example, if the same kind of legislation which was drafted and presented to Parliament three years ago, is re-presented to us, we will not pass it.

I will end by making a very simple plea. We are a sovereign nation. We are a great nation. We are a nation which, even if foreigners boycott us, can survive. If the total national income is Rs. 100, our dependence on foreign goods is to the extent of only Rs. 4. Can we not survive without these 4 per cent of foreign goods? Some of us will have to go through some diminution in our living standrards, the life will not be as comfortable. We would not have the kind of consumption goods, luxury consumption goods that come from outside.

The nation still can survive. It can tell the world that we can survive even without giving in to the blandishments of the IMF, World Bank or the W.T.O.

Another thing that I thought I might mention is whatever new legislation you propose to bring forward, if ever you propose, that should be carefully examined by the two Houses of Parliament. You can do so in consultation with the Standing Committee, Advisory committee or you can even set up a Select Committee. We should never commit the mistake of not consulting the State Governments. Even before we do all this, we must involve the general intellectual community of the country—the populace at different levels. It is something which affects

the life and living of each one of you. So, tell us what ought to be done. Let me repeat what I said. Let us consult the lawyers, economists, scientists, agronomists, businessmen, industrialists, environmentalists and the representatives of the State Governments. Let us all sit together and consult with each other and then decide what will be to the best interest of the country. Let us foreget the notion that you have to do something because a deadline had been set by somebody. For a sovereign nation no outsider can set a deadline. If somebody says the deadline has to be conformed to, all that I can say is—I hope it is not an unparliamentary expression—it is rubbish, rubbish, rubbish. Thank You, very much.

SHRI J. CHITHARANJAN (Kerala): Sir, it is an accepted fact that the Marakesh Treaty is more weighted in favour of the developed countries and to that extent it adversely affects the interests of all the developing countries, including India. the question is why those who participated in the negotiations at that time failed to take necessary steps to safeguard our nation's. This is a question to be pondered over. I do not want to go into that now.

Sir, as of now, we are already a member of the W.T.O. As Mr. Pranab Mukherjee had said, this agreement consists of certain good points as well as certain negative points and both of them equalise each other. Negative points are creating difficulties for the country. Several questions have come up. One is with regard to the lifting of the quantum restrictions in import of various items. Second is the Patents' law. In the same way there are several issues. Even in the case of the issue regarding lifting of the quantity restrictions for imports, it appears to me that from the side of the Government, they seem to be more loyal than the King. So, what is required at the moment? There are certain demands. In fact, the Government had gone beyond that. Restrictions had been withdrawn in the case of more items. I do not know why they are taking such an attitude. Secondly, with regard to the Patents' Act, as has been pointed out by Mr. Ashok Mitra, what is being said now by everybody is that there is a deadline. As dictated by them, a new patent law has to be enacted by us before that deadline. Then in that case, we will be in difficulty.

THE VICE-CHAIRMAN (SHRI SANATHAN BISI): The deadline is 19th April, 1999.

SHRI J. CHITHARANJAN: Whatever may be the deadline, before that date, a new law will have to be enacted by us or else we would be in trouble.

SHRI ASHOK MITRA: What you have just stated is your point of view of is it the Government's point of view?

SHRI J. CHITHARANJAN: It is the Government's point of view.

SHRI ASHOK MITRA: So, make it clear, otherwise newspapers will misquote you.

SHRI J. CHITHARANJAN: I don't have any doubt about it.

When we have agreed to the patent law agreement, we have surrendered our sovereign rights to some extent. When We are enacting a patent law or any other law, the Parliament should have the perfect right, complete right to express its views and take its own decision with regard to the enactment of that law. But here we are being restricted. Why should we allow that to happen? Why should we fall a prey to that? If the Government finds it necessary to amend the patent law, they can bring forth a new legislation. Let it be throughly discussed in Parliament. After discussing it, the Parliament can take its own decision. If the Parliament wants to make certain amendments, it may not be agreeable to the WTO or big powers like the USA or the G-7 countries or G-8 countries. But we should not be frightened. When we have conducted nuclear tests at Pokhran, the CTBT and NPT were there. Now, the USA and other countries are threatening us in various forms to sign them. But we are trying to resist them. Why can't we resist in this case also? The Parliament should have the right to enact a legislation as it deems fit. Whatever may be the conditions in the agreement, they should not curb our right in any way. That is what I have to say about it.

As part of liberalisation and because of the WTO, there is a possibility of more and more free trade the world over. It is really a myth. It has also been said that there would be competition. According to me, that is also a myth. What has happened in the international economy? In the international economy, there is a large accumulation of international finance capital. Due to new technological developments, these huge amounts can cross borders, at any time, within seconds. They are investing money. They are withdrawing money. All these things are being done. While doing so, if certain countries decide the economy, the monetary system in respect of other countries, then, everything will be in a shambles and everything will be in turmoil. We have seen this thing happening in South-Asian countries, Asean countries and other countries. If you look into the global sphere, multi-nationals have become monopolists. Now they are controlling the world economy, the world trade and everything. These monopolists join together and control markets. In such a situation how could there be a free trade? How could there be a competition?

Regarding protective measures, even the U.S.A. and other European countries have criticised japan saying that they were not opening their doors and they were resorting to protective measures. The same complaint was raised against the U.S.A.

The same complaint is being raised against other developed countries. When it comes to our case, we are being attacked that we do not open the doors and all that. Therefore, what I have to say is, while considering these things, we have to give first and foremost consideration to our national interests. That should be our main consideration. Of course, we would do so within the framework of the WTO. I do not say that we should immediately back out of the WTO. But inside the WTO, we will have to raise our points. We will have to try to modify the conditions. Fortunately, there is one condition. Each of the countries represented in the WTO is having a single vote, whether it be a big power like America or any other country. It is not so in the case of the IMF and the World Bank. Here, everyone has got only one vote. Therefore, in this particular situation, whatever difficulties we are facing are being faced by the other developing countries also, to a greater degree. Hence there is a possibility of unifying all the developing countries in the world. Unifying them, we can exert pressure inside the WTO. We can raise issues and pressurise them. Utilising the terms of the agreement itself, we can see that the WTO conditions are revised, reviewed and made equitable and more favourable to us. That is all I have to say. With these words, I conclude. Thank you.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): Mr. Vice-Chairman, Sir, in the 1930s, when the new economic policy was pursued by the United States, they resorted to a Bilateral Agreement with other States to develop trade. And the provisions made in the Bilateral Agreement had been taken verbatim and the International Trade Organisation was instituted. The same provisions as contained in the Bilateral Agreement had been taken for the ITO. When this ITO was actually ....(*Interruption*). I mean 'the ITO'. The Americal Congress actually negatived. The main reason was that in the ITO organisation, they put one condition that the policies they wanted to pursue should be within the parameters of full employment to the nascent states. This particular aspect was actually negatived by the American Congress. When the American Parliament voted against it, the other power blocks were afraid to ratify the ITO agreement. Then, after the Second World War, in the Bretton Woods Conference, the IMF as well as the World Bank came into being. When it was so, the GATT agreement also took place, but not as an institution. But now, the WTO is a legal and institutional organisation. After eight rounds of talks, it came into being since 1995. I do not want to go through, in detail, the rules and regulations that cover the WTO. But, for example, I want to refer to only one article, article 9. Even though it is being propagated that all decisions taken by the WTO will be only by consensus, article 9 is not telling us like that. "We will try our best to go for consensus. In case, we are unable to go for consensus, we will go for division also." This is what is actually mentioned in article 9. Therefore, my fear is,

even though in the initial stages, they are pursuing consensus, in future, the consensus concept will automatically be vanished.

Then the WTO will resort to the voting pattern. After the WTO came into being, what is the real situation prevailing in the world economy? According to the statistics published by the UNO, the global trade has increased. But at the same time, I would like to inform the House that the global production has decreased. When the trade increases and the GDP decreases, the developed countries take away the advantage. We have to live with this situation. What have we to do? What was our view before liberalisation? We thought that when liberalisation takes place, the infrastructure would be developed. But the people who are investing their money in the developing countries are very particular about manufacturing the consumer goods. They don't want to develop the infrastructure. Why? This is because of the fact that by involving themselves in the consumer goods sector, they are able to earn more profit. So, they don't want to go in for the development of infrastructure. The East Asian countries had liberalised their economy even before the WTO came into being. After having liberalised their economy, everybody used to refer to the East Asian countries as the Asian tiger. But what is the real position of the Asian tiger? The Asian tiger has been tamed now. Why has it been tamed? I don't say that it has been tamed because of liberalisation. Under the liberalisation policy, the main mistake committed was that the private entrepreneurs were able to exploit the situation to their advantage and they were able to get direct foreign investment. But unfortunately, those countries with which the private entrepreneurs were having their trade, were unable to find out what the private entrepreneurs owe to their countries. When they were unable to frame a policy as to what the actual economic situation in a particular country was, how could they make any strategy? They had failed to make a proper strategy because they were unable to find out what they owe to others. Now, how are the developed countries doing this thing? Now, the economy of the East Asian countries has been completely tamed. Now, they are putting pressure on them and have been saying that everything has been liberalised. If every country is given a fair deal by the WTO, then how have they put the economic sanctions on our shoulders after the explosion of the nuclear bomb? They were able to put some sanctions on our shoulders. This shows that the world economy has not been truly liberalised and there is a lot of economic imbalance existing right now. The East Asian countries had faced the crisis. The Federal Reserve Chairman, the Finance Minister as well as the Agriculture Minister of the United States of America had approached the members of the Consultative Committee on Agriculture of the American Congress and had requested them to vote for the 18 billion dollars contribution to the IMF. What for? Out of this 18 billion dollars contribution, four billion dollars would be used as usual. Fourteen billion dollars would be used for purchasing wheat from the American farmers. According to our estimate, wheat worth Rs. 2,40,000 crores is being exported by the United States of America every year. Out of this, 25 per cent of the farm products are actually exported to the Asian countries. Ten per cent of the farm products are exported to the countries which are affected by the economic crisis. What did they do? In fact, they had sought the Congress Members' help to see to it that a particular Resolution was passed so that the IMF could give loans to those countries. In turn, those countries will buy wheat from America. The economic sanctions had been imposed on India as well as Pakistan. When Pakistan had announced that they were going to buy wheat from other countries, what had the Americans done? They had relaxed the sanctions in respect of Pakistan. The Americans had informed Pakistan that they did not mean what was understood by the Government of Pakistan. They were doing it only for the purpose of export. Now, the WTO is working in the developed countries. Here, I would like to refer to the Ministerial Conference at Singapore. In the Ministerial Conference at Singapore, they had put a lot of pressure on the developing countries to adhere to the core labour standards.

Now I come to the environment. The environment is being spoiled only by the developed countries. They put pressure on us and they set the core labour standards. For the last four centuries the people of the African and Asian countries have been exploited by American countries and other Western countries. This has been for four centuries! ILO has also been under their control. When they want to pursue the core labour standards, I want to know why the same countries pursue the core labour standards, have not come forward in favour of the free movement of labour. They are in favour of free movement of capital. When they are able to move their capital from the country to another for business purposes, why have they not accepted the free movement of labour? When the developed countries pursue free movement of capital, they should also accept free movement of labour. When free movement of labour is restricted and only free movement of capital is accepted, it does not provide a level playing field. There is a discrimination against the developing countries by the developed countries. Therefore, I feel the people who sponsored WTO have good intentions to develop the world economy. Now the functioning of the WTO is totally different from the original ideas with which it was set up. I think the WTO has not so far performed the functions which it was intended to perform. We hope that it will at least restructure itself before asking us to restructure ourselves. It shold be restructured in such a way that there should be a level playing field for all and they should us the same thing which they expect from us. Otherwise, in the next two or three decades it will be a failure in the world arena. With these words I conclude.

SHRI R. MARGABANDU (Tamil Nadu): Sir, as regards the WTO, there are advantages and disadvantages. So far as the developing countries like India are concerned, the disadvantages are that they are not able to compete with the developed countries in the case of manufactured goods and other things. The indigenous goods which are manufactured in India are not able to find markets in the foreign countries whereas the developed countries are marketing their own products in India. Our indigenous goods are not able to compete with them. And Indians are preferring the foreign goods to our indigenous goods! That is why there is the danger of our indigenous goods industry being slowly getting extinct. There should be some safeguards so far as medicines and other things are concerned. High prices are fixed for foreign goods which our poor Indian people cannot afford to purchase. Who fixes these prices? It is only the bureaucrats who fix the prices without taking into consideration the economic condition and the purchasing capacity of the Indians. The prices are fixed so high that we are not able to pruchase the goods. Foreign countries are also demanding that India should amend its patent laws on a par with their patent laws. If the patent laws are amended, then naturally our Indian patented goods will diminish.

So far as the labour force is concerned, as my friend said, the labour has got an international avenue. When everything is mechanised, the Indian labour force is put to disadvantage. India has got a huge labour force and the menfolk is depending mainly on the labour for their livelihood. So, all these things will have to be taken into consideration. The policy of "Swadeshi" also requires to be considered.

There is a thinking in the BJP Government to set up a separate Ministry for international trade and co-operation. This should be worked out in an efficient manner so that the indigenous manufactured goods and the indigenous labour could be protected and also the interests of the nation could be protected. Let us not sell our India to the foreign countries. With these words I conclude and thank you.

SHRI VAYALAR RAVI (Kerala): Sir, I was patiently hearing the speeches from the other side on this lovely debate. I can very well understand why my good friend, Shri Ashok Mitra, was aggressive and very angry. It is not a new thing. As he has rightly pointed out, there were some Members—of course, they happen to be Ministers now—who were very vocal against this agreement. He has rightly stated that there was some wavering. I

would like to remind Mr. Sharma who was very critical of the signing of the agreement by the Congress Government. The Congress was in power at that time. Yes, we own it. But here I would like to raise some logical questions. First of all, I want him to read the last para of the statement of the Minister, my good friend, Mr. Ramakrishna Hegde, in the Government and I quote:

"We are, however, deeply committed to the success of the multilateral trading system. We believe that the WTO and the multilateral trading system must be effective instruments for serving the needs of the weakest section of the society in all parts of the world.....On this, the 50th Anniversary of GATT, let us resolve to forge ahead in a spirit of mutual accommodation and goodwill, keeping in perspective at all times the needs of the poorest, the most underprivileged amongst us."

I welcome your statement. I am not criticising..

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): You please read further.

SHRI VAYALAR RAVI: This is the last sentence.

SHRI RAMAKRISHNA HEGDE: I have quoted Mahatma Gandhi.

SHRI VAYALAR RAVI: Because of the constraint of time I read only two sentences. I am appreciating what you have stated. I feel sorry for your colleague who has not read it. That is my point.

SHRI SANGH PRIYA GAUTAM: It is a question to be considered by the Government.

SHRI VAYALAR RAVI: He was so critical in his speech. Why was it signed? That was the question he put. That is why I replied to him in the words of my friend, Mr. Ramakrishna Hegde, the Minister concerned. Mr. Sharma stated that it was not debated. I believe he might be remembering that it was debated in the Lok Sabha. Maybe, it was after signing the agreement. But it was debated. I understand that in 1989 and in 1991 there were two different Prime Ministers. One was Mr. V.P. Singh and the other was Mr. Chandra Shekhar. The V.P. Singh-Government came into power with the support of the BJP. Of course, the left parties were there. It is a different matter. At that time the WTO, the GATT, the Dunkel Report discussion was going on. Today if the BJP Government, the coalition Government of the BJP, like Mr. Sharma, feels very critical of this agreement I ask them, "Why can't they invoke the provision of giving six months' notice and withdraw?" There is no problem. You come to the Parliament. That is why I said, "I own this". As a Congressman, Mr. Pranab Mukherjee, has also said that we will support it. When you are in the ruling party you have every opportunity to come out of the WTO by giving six months' notice. If you are not sure of continuing for six months, I cannot say anything more. First of all, we must understand that there are certain provisions on which people like me have some reservations. I don't want to go into the history from 1948 onwards and we were one among the 123 nations and all that. I don't want to go into the long history. But we shall not ignore the reality and the fact that the WTO has not come from somewhere. It was a process which started in 1948 and came into an act. Another liberalised or globalised economy or a new institution has come into existence.

डा॰ महेश चन्द्र शर्मा: सरकार है: महीने में नोटिस देकर इसे विद्ड्रा नहीं कर सकती, इसको आप भी जानते हैं और मैं भी जानता हूं और वह मजबूरी....

उपसभाध्यक्ष (श्री सनात्न बिंघि): वह तो मंत्री जी बोलेंगे, आप कैसे बोलेंगे?

SHRI VAYALAR RAVI: Sir, I put this question because he criticised the Congress Government. That is why I put this question. Otherwise, I would not have done it. I was quoting the statement of the Commerce Minister. I said, "I stand by it". I said, "I am not criticising it". I agree with that. Sir, there was a process. India was a party to that process all along. The successive Governments have never withdrawn, and they have continued the negotiations. Even today there are certain lacunae and problems in this agreement which our country has to face. So far as subsidy is concerned, yes, there is a problem. But the problem is, the agreement itself gives some

kind of advantage to the developed countries. Everybody knows that in Japan there is 72 per cent subsidy. For rice and other things they give a subsidy to the extent of 72 per cent. They want to protect them. There is a conflict between America and European countries. Sir, the biggest lobby in Europe, France and other countries is the farmer lobby. They say that they want subsidy. There is not only a conflict between India and the American multinationals, but there is also a conflict between European countries and America. There are a lot of conflicts between different countries. We all know this. I am in full agreement with the hon. Member on this point and I feel that there should be a national consensus. We shall not surrender our rights. That is one point. If we look at the subsidy part, Shri Ashok Mitra, rightly said that the Government of India itself surrendered our rights by saying that they had enough surplus reserves. This is very unfortunate. The agreement says that after five years or after some time, we can carry this and that. There are a lot of processes. In this connection, I would like to say that subsidy is a national policy of a State. This is a policy of a State. So far as subsidy part is concerned, the developed nations are taking advantage of certain provisions. I believe that in 2000 there will be an opportunity to negotiate these issues further. All these issues shall have to be taken up. We have found that some countries are taking advantage of certain provisions and putting the developing countries at a disadvantageous position.

The second point is about the patent law. There is the question of TRIPS. It is the most debatable point. There are eight parts. We are mainly concerned about the patent law. As the hon. Member said, we may have no dispute on other seven parts. I don't want to read out those seven parts. So far as the patent law is concerned, there is a problem. I agree with that. But that patent law is being debated and criticised. That issue is still pending. Shri Ashok Mitra has said that it cannot be implemented. Here the basic difference is of product patent and process patent. There is a basic difference between our law and the WTO suggestions. I fully agree with the resentment expressed by the hon. Member. But what is the way out? We have to find out a way on this. The Government of India has to find out a way. How much are we going to prolong an amendment to the patent law? Already there is a patent law in India. There is a need for amending the patent law. Shri Kishore Chandra Deo was the Chairman of the Committee which looked into this matter. But that matter is still pending. In the meantime, what has happened? Even our basmati rice was patented. Now we cannot give patent rights to anybody. Applications are piling up like anything. There is no amendment to the law. How can we sort out this issue? How much are we going to prolong it? Yes, there is a problem. I agree with the agony expressed by many economists as well as industrialists. Many people have suggested to amend the patent law. WTO has suggested to amend the law. I am not saying that our country should be put to disadvantage. We have to think in practical terms. How long are we going to continue in a vacuum? The advantage is going to other countries. They are taking all the advantage. This is happening. We must look into it. Maybe we have made mistakes. In the Paris Convention, we might have voted or we might have kept quiet or something might have happened because WHO made some suggestions. That was all history.

But now we have come to a position where either we have to find an escape route or we have to go to the extent of amending the Patent law. The other point which the hon. Minister may take into consideration and which my hon. friend has also mentioned is this. The law says that the FTI may be considered as a national investment. Yes. At the same time, the other country can impose sanctions! The U.S. has imposed sanctions on us now. They have asked the World Bank not to give us loans. They have also stopped many other institutions from giving us any assistance. This goes against the spirit of the WTO. This is a matter which we have to take very seriously and it requires negotiations. When TRIPS was agreed to, you considered every investment under FTI to be equivalent to your own national investment. But the other country says that you should not do it. It goes against the very principle of TRIPS which

have been incorporated in the WTO. It is the U.S. which takes unilateral decisions. Take the case of the Most Favoured Nations status given by that country. They take discriminatory decisions on a lot of issues. One is that they can deny us the Most Favoured Nation status. They can invoke 301 and Super 301. They can say that they will ban the prawns imports. They can say, "You have problems in the Chilka lake. We are banning the imports of prawns because we are protecting the lake." There are certain provisions used by developed countries against developing countries bypassing and overruling the existing provisions of the WTO. How do we stop it? Our Finance Ministers allow certain duty-free imports and exports to have free movement of goods under multilateral agreements, for liberalisations, globalisation and so on. At the same time, the migration of labour force is also prevented. There are certain provisions advantageous to the developing nations where our people can go and work in other countries. But they won't allow that because they put a lot of restrictions. If immigration is allowed, it will be of benefit to the developing nations as this would create employment for more people and this will increase the number of NRIs. But the VISA restrictions are such that they can even go to the extent of denying it to the Chairman of the Atomic Energy Commission. I am mentioning certain things only to show that the U.S. can take advantage of the WTO provisions as well as their own national laws. The Government of India should definitely look into this aspect as to where and how we must resist ourselves. Of course, we have to wait until 2000 A.D. when we can have further negotiations. But we are yet to formulate our views on various issues. Then while talking about the Insurance Regulatory Authority, insurance is a sector where I believe that the entry of multinationals is not going to be helpful to this country. But an Ordinance has been passed. Mr. Ashok Mitra is not that much interested because the law has not been passed. But as per the Supreme Court Judgement, once an ordinance is passed and even if there is no enactment of it by Parliament, yet that ordinance exists.

THE VICE-CHAIRMAN (SHRI SANATAN BISI): He was mentioning on that day. (*Interruptions*)

SHRI VAYALAR RAVI: Yes, the regulatory system exists. The law exists. That is the decision of the Supreme Court. That is why today there is a Chairman of the Insurance Regulatory Authority. I am mentioning this because I happened to read a speech yesterday in the aircraft, wherein the Chairman of the Insurance Regulatory Authority—I believe, his name is Mr. Rangacharya—says that he welcomes the multinationals coming into India. Is it the policy of the Government of India? I want to know. The Chairman of the Insurance Regulatory Authority says that there is no point, let them come in. He was speaking at some Chamber of Commerce meeting. I don't know whether he wanted to have clapping from the industrialists there. I don't know what he wanted. But he said he welcomed it. Even if it is not the policy of the Government, how could the Chairman of the Insurance Regulatory Authority say that he welcomes it. Is he the agent of foreign insurance companies that he is inviting them? The Government must look into it. This kind of people and institutions are not expected to make statements on subjects on which a debate is going on and on which there is controversy. I want you to have a look at it.

Lastly, I come to the issue of labour. I only want to warn the hon. Minister. We cannot be complacent on this issue, on standards of labour. Of course, this is completely within the purview of ILO. But why do the Americans and the other developed countries raise this issue? They raise this issue not because they have love for labour in India. But they raise this issue because they want to prevent the developing countries from having the advantage that is available with them, the advantage because of less cost of labour. I wouldn't say, cheap labour. It is less-cost labour. The labour cost is less as compared to the developed countries. Naturally, we have the advantage, the advantage of manpower availability at reduced payment. So, they want to take away that advantage, they want to prevent us from having that advantage. Of course, at the Singapore Conference, we could

resist it and we could prevent that issue from coming into the declaration. But you cannot close that chapter. That is what I want to say. Even if ILO is in a position to debate this issue, they will definitely bring this issue to WTO because that is the only way by which these developed nations can take the advantage away from the developing countries. They want to increase the cost of production of any product that is being exported from the developing countries. They want to escalate our costs by putting this clause in respect of labour standards. So, the Government of India must keep a close watch on this and a decision must be taken to prevent that from happening at any cost.

Sir, after the collapse of the Soviet Union and the socialist countries of Eastern Europe, the economy, the politics, everything has changed in the world. The time has come when we must take over the leadership, because the countries have become poorer now. You take Africa and Latin America; somehow they are trying to survive, democracy has gone, Army dictatorships have come, economies are being looted. So, a time has come when a country like India, which has a large population and which has been providing leadership to national freedom movements in Africa and Latin America, should provide leadership to these developing nations. Some super powers, especially after the collapse of the Soviet Union, are trying to assert their supremacy in the world. It is only with the support and collective effort of all the developing nations that we can resist such an encroachment into our national authority and our national interest. Every nation has its own sovereignty and that national sovereignty is reflected in its budget and in the policies of its ruling party. That national sovereignty says that we will give subsidies, we will do this and we will do that and so on. So, that sovereignty cannot be restricted by any international agreement. Naturally, it has to be protected by a joint effort by all the developing nations. Already 125 nations are members. About 25 or 30 are in the queue, including China which is negotiating to get into this Agreement. Meanwhile, I believe the hon. Minister can definitely take the initiative to mobilise support for our views, especially the views which will help the developing nations. Support for those views can be mobilised and we can carry on this battle and win this battle.

प्रो. विजय कुमार मल्होत्रा (दिल्ली): उपसभाध्यक्ष महोदय, इससे पहले जितनी बातें कही गई हैं, मैं उनको दोहराना नहीं चाहता हूं। मैं सिर्फ दो-तीन बातों का आपसे जिक्र करना चाहता हूं। पहली बात यह है कि जब यहां पर बहस हुई थी "गैट" पर तो उस वक्त बहस को शुरू करते समय मैंने यह कहा था कि यह ऐसी गुफा है जिसमें प्रवेश करना तो बहुत आसान है लेकिन इससे निकलना असंभव सा हो जाएगा और मेरा यह केस भी नहीं है कि इसमें से निकलने की बात करनी है या छोड़ने की बात करनी है। चीन बहुत कोशिश कर रहा है इसके अंदर प्रवेश करने के लिए और काफी ऐफर्ट्स उसकी तरफ से होते रहे हैं और हम इससे बाहर निकल आएं या छोड़ दें, यह कोई केस नहीं है। लेकिन कुछ बातें विचार करने की हैं।

महोदय, अच्छा होता कि डब्लू.टी.ओ. के बारे में एक राय बनाने के लिए मंत्री महोदय की तरफ से प्रयास किया जाता। अभी तो प्राइवेट डिस्कशन के तौर पर इसे मांगा गया है। पहले भी इस बारे में कोई कोशिश नहीं हुई। हमारी सरकार तो अभी थोड़े दिन पहले ही आई है लेकिन पहले भी सारे देश में इस बारे में एकमत बनाने के लिए और संयुक्त होकर इस पर कार्यवाही करने के लिए प्रयास नहीं हुआ। महोदय, मैं पुरानी बातों में नहीं जाना चाहता कि अगर हम विकासशील देशों को इकट्ठा करते और उनका नेतृत्व करते तो आज डब्लू.टी.ओ. की जो पोजीशन है और "गैट" का जो समझौता हुआ, वह नहीं होता और हम कुछ दूसरी स्थिति में होते। इस समय अमरीका ने अन्फेयर ट्रेड प्रैक्टिसेज के नाम पर और ऑम्नीबस ट्रेड कंपीटीटिवनैस ऐक्ट 1988 के मातहत पिछले 4-5 सालों में हम पर सैक्शंस लगाई। 1995 में हमने यह समझौता किया है, उसके बाद भी अमरीका ने कई बार सुपर 301 या स्पैशल 301 के अंतर्गत हिन्दुस्तान को अपनी चैक-लिस्ट में रखा है, नैगेटिव लिस्ट में रखा है और कई बार हमारे ऊपर सैक्शंस इम्पोज़ की हैं।

महोदय, जब डब्लू.टी.ओ. बन गया, अमरीका उसका मेंबर हो गया तो उसको कोई अधिकार नहीं था कि वह सीधे तौर पर यह कहे कि हिन्दुस्तान इन चीजों का पालन नहीं कर रहा है, इसलिए हम अपने लॉ के मुताबिक हिन्दुस्तान के खिलाफ यह कार्यवाही कर रहे हैं। उसने औरों के खिलाफ भी यह कार्यवाही की है-मारिशस पर की है, मैक्सिको पर की है, जापान पर की है। परन्तु अमरीका दोनों चीजें नहीं कर सकता कि एक तरफ तो

वह डब्लू.टी.ओ. के जो कानून हैं, प्रावधान हैं, उनका इस्तेमाल करे और दूसरी तरफ अपने देश के कुछ कानूनों का इस्तेमाल करके हमारे खिलाफ ये सैक्शंस लगाए। उसको सीधे डब्लू.टी.ओ. में जाना चाहिए था। जब उन्होंने हमें चैक-लिस्ट में रखा, उसके बाद उन्हीं बातों के लिए उन्होंने चाईना को मोस्ट फैवर्ड नेशन बनाया। उस समय हमें अंतर्राष्ट्रीय स्तर पर इसका विरोध करना चाहिए था और सारे विकासशील देशों को इसके खिलाफ इकट्ठा करना चाहिए था। हम सारे विकासशील देशों को इकट्ठा करते और अमरीका की जो दादागिरी है, उसके खिलाफ आवाज उठाकर एक वातावरण बनाते। मुझे मालूम है, तीन-चार बार यह मामला यहां उठा था। तब मैंने इस बात को यहीं रखने की कोशिश की थी कि अमरीका को कोई अधिकार नहीं है कि वह इस तरह का व्यवहार करे लेकिन अमरीका इस समय किसी भी प्रकार की अंतर्राष्ट्रीय चीजों को मानने के लिए तैयार नहीं हैं। उसने अभी हमारे न्यूक्लियर बम विस्फोट के बाद जो सैक्शंस लगाई हैं, वे सैक्शंस चाहे बाद की हों या उससे पहले की हों, उनके विरोध में हमें सारे संसार के देशों को इकट्ठा करने की जरूरत है।

दूसरी बात मैं यह कहना चाहता हूं मंत्री महोदय से कि यह जो पेटेंट लॉ था, जिसके अमेंडमेंट का बिल आया था, लोक सभा में तो वह पास हो गया 146 और 134 में लेकिन राज्य सभा में जब आया तो इसे सेलेक्ट कमेटी के सुपुर्द कर दिया गया। अभी तक हमारे पास यह नहीं आया है।

परन्तु उसमें एक मत बनाया जा सकता है। आफ्टर ऑल यह पौलिटिकल मामला तो नहीं है, राजनीति का मामला भी नहीं है। इसके ऊपर मंत्री महोदय कोशिश करें और इसके ऊपर एक मत बनाएं। उस समय हमारी पार्टी की तरफ से ऑब्जक्शन था, हमारी तरफ से कहा गया कि हम इसको पास नहीं करना चाहते हैं, इसमें यह कठिनाइयां हैं।

जब तक हमारे अपने पेटेंट लॉ में अमेंडमेंट नहीं होगा तब तक बहुत सी चीजें जो हम इसमें करना चाहते हैं वह भी नहीं कर पाएंगे इसलिए पेटेंट लॉ में तो अमेंडमेंट जरूरी है। 1997 का पेटेंट लॉ नहीं चल सकता। परन्तु उसके अमेंडमेंट में सर्वसम्मति बन जाए, सर्वानुमति बन जाए, सारी पौलिटिकल पार्टियां और पूरा देश इकट्ठा हो जाए, उसके लिए प्रयास करने की जरूरत है। मैं चाहूंगा कि मंत्री महोदय इसकी कोशिश करें कि यह जो सलेक्ट कमेटी में गया उसमें एक यूनेनिमिटी और एक राय बन जाए। मैं एक और बात कहना चाहता हूं कि इस वर्ल्ड ट्रेड आर्गनाइजेशन के दौर में यह कहा गया कि जो हम अपनी इण्डस्ट्री को सुविधा देते हैं वह मल्टीनेशनल को देनी पड़ेगी, यह उसके अंदर लॉ है। अपने स्मॉल स्केल इण्डस्ट्री को और कॉटिज इण्डस्ट्री को जिसको बचाने की बहुत बात हो रही है अगर हम अपनी इण्डस्ट्री को उसके अंदर जाने से रोक दें तो हम मल्टी नेशनल को भी रोक सकते हैं। अगर अपनी इण्डस्ट्री जाएगी तो मल्टी नेशनल को नहीं रोक सकते इस कानून के मुताबिक। अगर हम टाटा को एलाउ करेंगे, अगर हम बिरला को एलाउ करेंगे और उसको कंज्यूमर आईटम्स में आने देंगे उनका यह प्रोडक्ट-साबुन, कपड़ा धोने का साबुन इसके अंदर आने देंगे और उन्हें कहेंगे कि आपको खुली छूट है आप जिसमें भी जाना चाहें रिस्ट्रक्टेड आईटम में जा सकते हैं, स्मॉल स्केल सैक्टर में जा सकते हैं, कॉटिज इण्डस्ट्री में जा सकते हैं और जो रिजर्व्ड आईटम्स हैं और मंत्री जी को मालूम है, सदन के सारे सदस्यों को मालूम है कि जो आईटम रिजर्व्ड नहीं है स्मॉल स्केल सैक्टर के लिए उसमें आज मल्टी नेशनल भी नहीं आ रहे हैं और हिन्दुस्तान के जो अपने बिग इण्डस्ट्रियलिस्ट हैं वह भी नहीं आ रहे हैं। इसलिए हिन्दुस्तान में 10 करोड़ लोग बेकार हैं उन बेकारों को तो रोजगार देना है। कुछ इण्डस्ट्री के अंदर जो रिजर्व्ड आईटम हैं उसमें अपनी बड़ी इण्डस्ट्री को पहले हम प्रतिबंधित कर दें तो मल्टी नेशनल का आना रोक सकते हैं, कानूनन भी रोक सकते हैं, वर्ल्ड ट्रेड आर्गनाईजेशन में भी रोक सकते हैं। परन्तु हमारी बदकिस्मती यह है जब हम उनको नहीं रोकते तो दूसरों को भी रोकना मुश्किल होता है। इसलिए स्मॉल स्केल सैक्टर के बारे में हमे विचार करने की जरूरत है। एक बात और, सब्सिडी की बात कही गई। हमारा जो पब्लिक डिस्ट्रिब्यूशन है उसके अंदर सब्सिडी पर रोक नहीं। पब्लिक डिस्ट्रिब्यूशन के अंदर हम अपने वीकर सैक्शन को कितनी भी सब्सिडी देना चाहें वह सब्सिडी दी जा सकती है, उसके ऊपर रुकावट नहीं है। रुकावट यह कही जा रही है कि अगर उसको सब्सिडाइज करते हैं और उधर से किसानों को ज्यादा पैसा देते हैं, लेकिन सब्सिडी की बजाय अगर उनको ज्यादा पैसा दें तो शायद सब्सिडी की जरूरत नहीं पड़ेगी। हमें उसको उस ढंग से रखने की जरूरत है। मैं समझता हूं इन चीजों पर सर्वानुमति बनाई जा सकती है। एक बात और कही गई, मैं उसको भी बहुत जोर से दोहराना चाहता हूं। अमेरिका हो या विकसित देश हों वह यह तो चाहते हैं कि उनका माल खुले तौर पर सारी दुनियां में चला जाए। परन्तु उन्होंने अपना इमिग्रेशन लॉ ऐसा बनाया है कि दुनियां से लेबर या दूसरे लोग उनके देशों में नहीं आ सके। जो हमारी पॉवर है, जिसकी हमारे यहां बहुतायत है उस पर तो वह रोक

लगा देते हैं और अपना माल बेचना चाहते हैं सारी दुनियां में खुले तौर पर। यह जो उनकी बात है उसके खिलाफ दुनियां के सारे देशों को भी इकट्ठा किया जा सकता है कि या तो इमिग्रेशन लॉ खुला कर दीजिए, और यह भी ओपन कर दीजिए कि माल अगर सारी दुनियां में जाएगा तो आदमी भी सारी दुनियां में जाएगा, इन दोनों चीजों में अपने फायदे की चीज निकाल लें, यह नहीं हो सकता। मंत्री महोदय, अभी आपने कुछ दिन पहले, सचमुच मेरी समझ में नहीं आया कि मजबूरी क्या हुई? बहुत सी आईटम्स थी जो हमारी निगेटिव लिस्ट में थी उनको खुले तौर पर ओ.जी.एल. में डाला कुछ चीजों को। अगर उनको ओ.जी.एल. में डालेंगे और इम्पोर्ट इस तरह से खोलते चले जाएंगे तो अपने यहां पर इन चीजों का नुकसान होता है। इस पर न केवल दोनों सदनों की बल्कि सारी दुनियां की एक सर्वानुमति पैदा करें, सबको एक सम्मत बनाएं देश के अपने स्वाभिमान को और देश का अपना जो अस्तित्व है उसको कायम करने के लिए और हम एक स्वतंत्र देश हैं इसके लिए डब्लू.टी.ओ. के अंदर भी हम मिल करके संघर्ष कर सकते हैं। मैं समझता हूं मंत्री महोदय, इसका प्रयास करेंगे तो बहुत अच्छा रहेगा।

SHRI RAMAKRISHNA HEGDE: Mr. Vice-Chairman, Sir, I may at the outset say that I am grateful to the hon. Members who participated in this discussion. In the course of their statements, they have made many valuable and constructive suggestions. I am glad that looking at the trend of the discussion already there is a kind of consensus that exists in regard to how we should approach this matter which was very controversial a few years ago. I was very impressed by the speech made by Dr. Mahesh Chandra. I appreciate his oratory. But, I wish he had made that speech about six years ago either in this House or in the Lower House. Now having agreed to become a member of the WTO, it is too late in the day to either withdraw or to go back on our decision. Even the trend of the discussion shows that our becoming a member of the WTO in the long run and in the ultimate analysis is going to be advantageous to our country. I entirely agree with Shri Mitra, Prof. Malhotra and several other hon. Members who suggested that before taking a final decision in 1994 and in 1995 when we decided to join this organisation, a thorough discussion should have been held in both the Houses of Parliament and to the extent possible in the country as a whole because whatever happens in this organisation may have a very vital bearing on our own national interests. But, unfortunately, the Government which was in office at that time either did not have sufficient time or did not have the necessary inclination to place this matter for a thorough discussion both in Parliament as well as in public. Now we cannot reopen that chapter. But, it is absolutely necessary and I entirely agree with the hon. Members who expressed a concern that perhaps under pressure we may not be able to project our national interests sufficiently. I want to dispel their fear. Though he was critical, Mr. Chitharanjan made a very interesting remark that unlike certain other international fora, the WTO is an organisation where every country has a vote, and, not more than one vote. To that extent, all of them are equal and that gives us an opportunity of mobilising support from among the other developing countries and least developed countries to raise issues before the forum of the W.T.O.—General Council, etc.,—if there is any danger of that body taking any decision which would injure our interest. Sir, in my statement, which has already been circulated, I have made this position very clear. But, I would like to read out two paragraphs or may be, two-and-a-half paragraphs, from my own statement made in Geneva at the time of W.T.O. Conference which perhaps, will be able to dispel the fear or apprehension that certain hon. Members may have entertained. I quote, "It is very clear that the intention of the negotiators was to use trade as an instrument for development, to raise the standards of living, expand production, keeping in view, particularly, the needs of developing countries and least developed countries. The W.T.O. must never lose sight of this basic principle. Every act of implementation and of negotiation, every legal decision, has to be viewed in this context. Trade, as an instrument for development, should be the corner-stone of all our deliberations, decisions and actions. Besides, the system should be seen to be equitable and fair. It must be used in such a manner that the letter and spirit of the Agreements is fully observed. The W.T.O. Members must mutually support and encourage each other

to achieve the final goal. It must be recognised that all members should assume a negotiating rather than an adversarial posture. It should also be recognised that different economies have different features and structures, different problems, different cultures. The pace of change must be carefully calibrated to take into account such deficiencies. All members should guard against unilateral action that cuts at the very root of multilateralism..."—next, I said,—"...There has also been an increasing trend in the recent past in favour of regionalism." Mr. Mukherjee raised this question. Unfortunately, he is not here. It goes on to say, "While regional economic groupings have resulted in increased trade among countries in the region, there is inherent danger of discrimination against third countries. Article XXIV of the GATT specifically recognises regional arrangements as an exception to the multilateral system. While we recognise the positive effect of regional groupings that are consistent with the principles of the multilateral trading system and also the special needs of developing countries as enunciated in the Enabling Clause, we fear that the proliferation of such arrangements may weaken the framework of the system. The rules relating to such regional arrangements need to be clear and precise and should ensure that market access for third countries is not denied or reduced. Otherwise, we will, over the years, have a situation where the multilateral system becomes, largely, irrelevant." Then, Sir, I come to protectionist measures. This was a point which was raised by several other Members. "The protectionist measures, adopted by developed countries in various ways restrict market access for goods and services produced in developing countries. An analysis of India's external trade reveals that 16 countries or territories to which four-fifths of our exports are directed, maintain eight major categories of non-tariff barriers, restricting our market access." I hope that the hon. Members would appreciate that we had already anticipated these problems. Therefore, I had made a pointed reference to these problems in my speech in the WTO Conference. There is no point in explaining now the advantages of our joining the World Trade Organization. I am very, very happy that the level of statements made by most of the Members was of very high order. We have proposed to take certain actions to prepare ourselves for further negotiations and also to protect ourselves from any intrusion or any influence by the developed countries or a group of developed countries, which might hurt our interests. I will read out these steps: Special and differential treatment for developing countries: There are various provisions in the Uruguay Round Agreement for special and differential treatment for developing countries. Many of these provisions are not being implemented effectively for want of clear guidelines. Some of them may require amendment, particularly, in respect of the transitional period allowed. It is significant that our initiative to start G-15 work on special and differential treatment provisions, has found acceptance. A special seminar of G-15 countries is proposed to be organised in Delhi, in September-October this year, to discuss these issues. The seminar is being organised on an invitation extended by me in Cairo. The recent dispute on quantitative restrictions with the USA has raised various doubts regarding the implementation of Article XVIII B of GATT. And we feel that the present manner of interpretation of Article XVIII B does not take into account the dimensions of the BOP issue, as intended by the Uruguay Round negotiators. The recent dispute on quantitative restrictions with the USA has also highlighted the need for clearly defining the role of the IMF, as an advisory body to the WTO. I personally, very strongly object to that. The IMF has no business to poke its nose in the affairs of the WTO. There is a tendency on the part of certain developed countries to treat the IMF's advice as dispositive and binding on the WTO bodies. The developing countries have a different view which needs to be articulated.

The complexity of Uruguay Round Agreements and multilateral trade law, as it evolves over time through further negotiations, interpretation and rulings and recommendations of Panels and the Appellate Body, necessitates proper orientation programmes for officials and legal experts, particularly in the developing and least

developed countries. Otherwise, the gap between developed, developing and least developed countries in knowledge and skills in these areas will widen. The consequence will be one-sided negotiation in the future. Even though there are provisions for training, this is not being organised in a systematic and cohesive manner. This point was also raised by some of the hon. Members and we are holding seminars and awareness programmes in regard to this.

Unilateral action, in disregard of principles enshrined in the Uruguay Round Agreements, by certain developed countries is posing a serious threat to the multilateral trade system. Examples are the US decision to ban imports of shrimps from certain developing countries, including India, on the ground that these countries are not using Turtle Excluder Devices while harvesting shrimp; the EU stipulation relating to lower benzoic acid in shrimp from other countries in comparison to shrimp harvested in the EU waters, and the decision imposed on Turkey by the European Union to introduce a quota system in respect of textiles as a pre-condition for joining the customs union. These are the examples. It is not always possible for developing and least developed countries to undertake the expense and effort required to file disputes and fight them. Guidelines, therefore, need to be laid down. We would like to have a small centre in Geneva, where our mission is located, to help other countries to guide them if there is any need in this matter.

As I have mentioned in my speech, regional trading agreements are posing a serious threat to the multilateral trade system as market access is increasingly being denied to developing countries in Asia in particular. The original intention of the Uruguay Round negotiations was that regional trading arrangements would strengthen and deepen the thrust towards global free trade. Exactly the reverse seems to be happening. It is necessary that Member countries of the WTO have a close hard look at the provisions relating to the regional trading arrangements, as otherwise the WTO will, over a period of time, become irrelevant.

The next point is regarding implementation of agreement on textiles and clothing. Mr. Pranab Mukherjee had raised this point. The problems arising out of reluctant and tardy implementation of ATC by developed countries are well known. The developed countries, by adhering to the letter and ignoring the spirit of the Agreement, have hitherto denied effective market access to developing countries.

The next point is Agreement on Agriculture. The need for speedy removal of subsidies by developed countries and the dismantling of domestic support systems should be highlighted. That we are going to do. Besides, the concerns of developing and least developed countries regarding food security have to be placed upfront for discussion. The failure to take effective action to address the problems of the least developed net food importing countries also has to be brought out. It may be noted that over the next year, we propose to conduct an elaborate exercise jointly with the Ministry of Agriculture and with inputs from the National Council of Applied Economic Research to prepare for the review of the Agreement on Agriculture, commencing in the year 2000.

Movement of natural persons. The developed countries have not made any substantial commitments in respect of Mode 4 of the Schedules under the General Agreement on Trade in Services, which relate to movement of natural persons, on the specious ground that this Mode is subsumed in the other three Modes, namely, cross-border supplies of services, consumption abroad and commercial presence. We have a particular interest in projecting Mode 4, because of the availability of professionals and technical personnel in large numbers in India. We need to enure that this issue gains adequate prominence at this stage so that we get satisfactory results when negotiations on the General Agreement on Trade in Services starts in the year 2000.

Next is standard setting and implementation. The setting of high standards for industrial imports and difficult sanitary and phytosanitary conditions for agricultural imports by various international bodies,

without taking into account the concerns of the developing countries in good measure, will create serious impediments to international trade in future. The Agreement on Technical Barriers to Trade and the Agreement on Sanitary and Phytosanitary Measures are intended to remove barriers to trade. These need to be effectively and sincerely implemented. Discussion of this issue is, therefore, of prime importance.

Use of anti-dumping measures and erection of non-tariff barriers. Pranab babu should listen. The repeated use of anti-dumping measures by certain countries and the predilection shown by them to invent and create more and more ingenious methods for erecting non-tariff barriers need to be seriously discussed by the General Council. They will have to work out methods by which such action can be prevented and how easy redressal can be obtained by affected countries.

Next; imbalances and asymmetries in Agreements. In some Agreements, there are certain imbalances and asymmetries which need to be placed before the General Council for discussion. For example, under the TRIPS Agreement, the mailbox provisions and the exclusive marketing right provisions not only effectively take away the transitional period available to developing countries in the field of pharmaceuticals and agricultural chemicals, they are, in effect, stricter than the product patent provisions for the introduction of which such transition period has been given as a concession to developing countries. Similarly, we have concerns regarding the recognition of the rights of countries of origin, while granting patents on products developed, using bioresources.

Next; transfer of technology. In respect of specific issue, we have been raising the question of transfer of technology at fair and reasonable cost. For example, we have brought this question into the deliberations at the Committee on Trade and Environment. We have referred to this issue also in connection with electronic commerce. It would be appropriate at this stage to place this issue for discussion in the General Council as a full-blown paper. This could also act as a counter-poise to the pressure on trade and investment. We can perhaps draw up a Declaration (or even an Agreement) on transfer of technology on fair and reasonable terms to developing and least developed countries.

Simplification of notification procedures. Notification procedures, built into various Uruguay Round Agreements, cast an onerous burden on developing and least developed countries. We could press for a work programme to reduce notification requirements and streamline procedures.

5.00 P.M.

Rules of origin: We may prepare for consideration a Declaration to the effect that rules of origin shall not be used as instruments for denial or reduction of existing market access to developing countries. It may be recalled that national regulations or rules of origin have been threatening market access of developing countries, particularly in the area of textiles.

Article XXI of the GATT: This was also referred to. This provision deals with suspension of concessions and imposition of restrictions on grounds of national security. There is a lack of clarity regarding the situations in which countries can take recourse to this Article. Clearer definition is needed in order to prevent misuse by larger trading partners.

These are some of the steps that we propose to take.

One suggestion has been made that we should set up a committee of experts so that from time to time this committee could study and examine various matters that come before the WTO and various other organisations under the WTO. When I say experts, experts in various subjects, experts in law, international law and people who are experienced in the World Trade Organisation, matters of the GATT etc. etc.

We are going to strengthen our establishment in our Mission to the WTO in Geneva.

I am grateful again to the Members for making various suggestions. Well, I agree that at least hereafter—it was not possible to do

earlier, before we signed the agreement on the WTO—whenever a matter of vital interest to the country comes up before the WTO, we will like to have the benefit of advice of the hon. Members of both the Houses.

Thank you.

THE ELECTRICITY LAWS (AMENDMENT) BILL, 1998

THE MINISTER OF POWER (SHRI R. KUMARAMANGALAM): Sir, I beg to move:

"That the Bill further to amend the Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948, as passed by the Lok Sabha be taken into consideration."

I rise to move the Electricity Laws (Amendment) Bill, 1998. An earlier Bill which was introduced in the Lok Sabha on the 13th March, 1997 was referred to the Standing Committee on Energy on the 20th March, 1997. The Standing Committee on Energy was constituted under the Chairmanship of Shri Jagmohan, Member Lok Sabha. The standing Committee on Energy held detailed consultations with experts in the power sector and submitted its report to the Speaker Lok Sabha on the 3rd December, 1997. The Standing Committee had made several important recommendations and suggested modifications to the Bill. The major recommendations were:

(i) Overall planning of the transmission system should be under the scope of the CEA, the POWERGRID and the SEB's.

(ii) There should be only one main transmission agency in each State and at Regional/National level. For the transmission system within a State it should be the respective SEB, or its successor organisation. At the regional/ national level it should be the POWERGRID.

(iii) The main transmission agencies indicated at (ii) should continue under Government ownership.

(iv) The main transmission agencies should decide which part of the required transmission augmentation within their responsibility should be entrusted to the private sector.

The private transmission company should be required to enter into a transmission service agreement with the concerned SEB/ POWERGRID for making available its transmission assets to the latter. The private company should not be concerned with wheeling and third party access issues.

The transmission company should operate and maintain its assets in accordance with the directions of the Regional load dispatch centre/state load dispatch centre. The RLDC/ SLDC should be under POWERGRID/SEB (its successor organisation).

The private transmission company should be given a license on the basis of a recommendation of the concerned main transmission agency.

The Government has accepted all recommendations of the Standing Committee of Energy and these have now been incorporated in the Electricity Laws (Amendment) Bill, 1998.

The bill will provide a legal framework for recognising transmission as a district activity and for regulating transmission through licensing and for fixation of transmission tariff. This is necessary since transmission entities have been established at the national/ state level (POWERGRID, GRIDCO) and some states are proposing to create separate transmission entities. Under the existing Electricity Laws, transmission can be taken up only in conjunction with generation or distribution and not as an independent activity.

Before dealing with the salient features of the Bill, I will briefly review the development of the transmission sector. With the enactment of the Electricity (Supply) Act, 1948 the state Electricity Boards became the nodal organisations for expansion of the transmission and the distribution network. In the mid 60s, the Regional Electricity Boards were established and the process of linking the power system of the individual states within the region was initiated. From the mid 70s onwards the Govt. of India started establishing central generating stations